

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 1

From: [Lynch, Garrett](#)
To: [Kim, Jane \(USANYS\) 4](#)
Cc: [Lake, Stephanie \(USANYS\)](#); [Krouse, Michael \(USANYS\)](#)
Subject: RE: Sadr MILs
Date: Thursday, December 19, 2019 5:21:35 PM

The former--the SWIFT platform is private. That said, failure to be transparent can violate any number of federal regs. All of the so-called "bank sanctions" case were based on foreign banks "stripping," omitting, or replacing info in SWIFT messages to ensure that they cleared through U.S. banks. Here, Ali in effect was telling PDVSA, "don't include IIHC in the beneficiary field, include Clarity."

(Now I'm really going off on a tangent, but Commerzbank was an intermediary bank in the first USD payment (to Stratus Turkey) and they actually picked up on "Stratus" in the payment message, drew the connection to the Iranian entity, and filed a report with OFAC.)

----- Original message -----

From: "Kim, Jane (USANYS) 4" <Jane.Kim@usdoj.gov>
Date: 12/19/19 4:57 PM (GMT-05:00)
To: "Lynch, Garrett" <LynchG@dany.nyc.gov>
Cc: "Lake, Stephanie (USANYS)" <Stephanie.Lake@usdoj.gov>, "Krouse, Michael (USANYS)" <Michael.Krouse@usdoj.gov>
Subject: Re: Sadr MILs

Is this a banking reg or a federal reg?

On Dec 19, 2019, at 4:54 PM, Lynch, Garrett <LynchG@dany.nyc.gov> wrote:

Re: the transparency requirement, it's a little technical, particularly for the MIL, but the primary way to effect international payments of the kind contemplated by the U-turn exemption is/was through the SWIFT messaging platform, and the SWIFT message type for this kind of payment (the MT-103) has mandatory fields for the disclosure of the underlying parties to a transaction—i.e., the originator and the beneficiary—so that the processing banks know exactly who's involved in any given transaction (hence, the inclusion of "Iranian International Housing Company" on the payment message would have hit on any U.S. bank's filter). We have several examples of Ali receiving copies of SWIFT messages—he knew what info they contained and what had to be included.

From: Kim, Jane (USANYS) 4 [<mailto:Jane.Kim@usdoj.gov>]
Sent: Thursday, December 19, 2019 4:26 PM
To: Crowley, Shawn (USANYS) <Shawn.Crowley@usdoj.gov>; Bove, Emil (USANYS) <Emil.Bove@usdoj.gov>
Cc: Lake, Stephanie (USANYS) <Stephanie.Lake@usdoj.gov>; Krouse, Michael (USANYS)

<Michael.Krouse@usdoj.gov>; Lynch, Garrett <LynchG@dany.nyc.gov>

Subject: Sadr MILs

All:

Attaching an updated version (redline and clean). We had to knock out 2 docs that are in our 151 not-usable docs. Probation has 3 SKN passports for the defendant; the first one has an issue date in 2009 (the others have no issue date, presumably because they are duplicates).

Shawn, I incorporated and addressed all your comments. Thank you. To your question re: Berman's rulings in Atilla, he (i) denied the motion to preclude argument/evidence/cross on bank negligence (they didn't move on the subject of negligible harm); and (ii) denied the motion in part re: cross of Dubowitz, allowing the defense to cross on donations that were public. He also denied most of the MILs from both sides and these rulings are not so evident from the docket.

Let us know if you have any more revisions. We'll proof/TOA/etc. tonight.

Thanks,
Jane

CC-1	Mohammed Sadr
CC-2	Cetinel
CC-3	Zanganeh
CC-4	Karimi
CC-5	Cinar
CC-6	Moayed
CC-7	Taheri
CC-8	Estiroti
CC-9	Schneider

Jane Kim
Assistant United States Attorney
Southern District of New York
One St. Andrew's Plaza
New York, New York 10007
Phone: (212) 637-2038
Email: jane.kim@usdoj.gov

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EXHIBIT 2

From: [Lynch, Garrett](#)
To: [Lake, Stephanie \(USANYS\)](#)
Cc: [Kim, Jane \(USANYS\) 4](#); [Krouse, Michael \(USANYS\)](#)
Subject: RE: Sadr - wire transfers
Date: Friday, January 10, 2020 4:52:39 PM
Attachments: [Commerz OFAC disclosure.pdf](#)

In the spirit of closing the loop on the \$29M payment through Commerz, attached is the voluntary disclosure Commerze made to OFAC re: the payment.

From: Lake, Stephanie (USANYS) [mailto:Stephanie.Lake@usdoj.gov]
Sent: Friday, January 10, 2020 3:16 PM
To: Lynch, Garrett <LynchG@dany.nyc.gov>
Cc: Kim, Jane (USANYS) 4 <Jane.Kim@usdoj.gov>; Krouse, Michael (USANYS) <Michael.Krouse@usdoj.gov>
Subject: RE: Sadr - wire transfers

Closing the loop on this– I found a document in the material Fuenmayor gave us that discusses the \$29 million transfer through Fondo Chino, and he also mentioned it in the last meeting. I think this should be helpful in tying the wire information we have showing the Fondo Chino transfer to PDVSA. The doc is attached, if anyone cares, but it's also en Espanol (I've requested translation). Pages 14-15.

From: Lynch, Garrett <LynchG@dany.nyc.gov>
Sent: Wednesday, January 08, 2020 12:46 PM
To: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Cc: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Subject: RE: Sadr - wire transfers

The Venezuelans used various state-owned “funds” and banks to fund various government projects, among them BANDES, the economic and social development bank (which, I believe made some early payments (not ours) related to the project), and Fondo Chino (the Chinese-Venezuelan Fund). Fondo Chino (at least ostensibly) was funded by oil sales to and loans from China (I think PDVSA and the government liberally moved money around). I forget exactly why Fondo Chino was used to make the first payment (or if we ever knew for sure) – my guess is that PDVSA, which controlled all oil-related funds (i.e., the Venezuelan purse), had adequate funds in the Fondo Chino account to make the payment from that account. I believe the money came from a Banco del Tesoro account in Venezuela, which had a correspondent relationship with Commerz in Germany. Thereafter, they used PDVSA accounts at Banco Espirito Santo in Portugal.

From: Lake, Stephanie (USANYS) [mailto:Stephanie.Lake@usdoj.gov]
Sent: Wednesday, January 8, 2020 11:02 AM
To: Lynch, Garrett <LynchG@dany.nyc.gov>
Cc: Kim, Jane (USANYS) 4 <Jane.Kim@usdoj.gov>; Krouse, Michael (USANYS) <Michael.Krouse@usdoj.gov>
Subject: RE: Sadr - wire transfers

Found the first one. Thanks. Do you know why it came from "Fondo Chino" / what that is?

That's fine on two. Just wanted to make sure I wasn't missing some other records that would show that information.

Definitely agree on the third point.

Thank you!

From: Lynch, Garrett <LynchG@dany.nyc.gov>
Sent: Wednesday, January 08, 2020 10:04 AM
To: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Cc: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Subject: RE: Sadr - wire transfers

1. Re: the first payment, there should be a copy of the SWIFT message in the Commerzbank production. In my version of the subpoena compliance production it's a PDF titled "Copy".
2. Re: the identity of the intermediary bank, the bank whose business record the wire transfer is is the intermediary bank, so the witness will be able to state that.
3. Also, for several of the payments, we have additional search warrant documents -- e.g., while we may just have the wire transfer record from the clearing bank, we may also have a SWIFT message attached to an email, or a Hyposwiss record, or some other document which identifies the payment route. When the dust settles on the SW docs, we can reconstruct my old payments binders where I had all of the documents bundled together for each payment (the payment instruction letter, the bank record(s), emails, attachments, etc.). This is what we did for the GJ.

From: Lake, Stephanie (USANYS) [<mailto:Stephanie.Lake@usdoj.gov>]
Sent: Tuesday, January 7, 2020 6:19 PM
To: Lynch, Garrett <LynchG@dany.nyc.gov>
Subject: FW: Sadr - wire transfers

My original email had three attachments, which had to be sent to you securely. So you should be getting a secure message with instructions on how to access it.

From: Lake, Stephanie (USANYS)
Sent: Tuesday, January 07, 2020 5:37 PM
To: Lynch, Garrett <LynchG@dany.nyc.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Subject: Sadr - wire transfers

See attached a spreadsheet (Payments) showing each transfer and where I found documentation. A few things:

1. I didn't find a wire confirmation for the 4/4/2011 \$29 million transfer. I did find reference to it in the CHIPS subpoena returns. It seems to show that it went from "Fondo Chino-Venezolano" to Stratus International Contracting (see attached two spreadsheets that show this). Garrett – do you know if we have a wire confirmation for that transfer?
2. I noticed that the wire confirmations don't generally show the U.S. intermediary bank on them. Is there other documentation I'm missing that has this information?

*All documents are saved here: \\Usa.doi.gov\cloud\NYS\StAndrews\Shared\Iran_VEhousing-2017R01160\###Trial\Documents\Payment Records and here: \\Usa.doi.gov\cloud\NYS\StAndrews\Shared\Iran_VEhousing-2017R01160\Evidence [INT]\Discovery\#5 - Subpoena Returns\To Produce.

Also – Garrett, I was thinking that if you don't already have the ability to remotely login to our network, we should have that set up! That way the file paths above wouldn't be useless to you.

Thanks!

Stephanie Lake
Assistant United States Attorney
Southern District of New York
One Saint Andrew's Plaza
New York, NY 10007
Tel: (212) 637-1066

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EXHIBIT 3

From: [Lynch, Garrett](#)
To: [Lake, Stephanie \(USANYS\)](#); [Kim, Jane \(USANYS\) 4](#); [Krouse, Michael \(USANYS\)](#)
Subject: RE: Trial witness
Date: Saturday, February 1, 2020 12:53:59 PM

I did. They're happy to provide a witness (obviously happier to just provide a custodian). She believes (I think rightly) that they discovered the Stratus payment and filed the voluntary disclosure due to our investigation into the bank. That makes sense since they discovered the payment retroactively; it wasn't flagged in real time. So we can discuss how we would want to handle.

----- Original message -----

From: "Lake, Stephanie (USANYS)" <Stephanie.Lake@usdoj.gov>
Date: 2/1/20 9:54 AM (GMT-05:00)
To: "Lynch, Garrett" <LynchG@dany.nyc.gov>, "Kim, Jane (USANYS) 4" <Jane.Kim@usdoj.gov>, "Krouse, Michael (USANYS)" <Michael.Krouse@usdoj.gov>
Subject: RE: Trial witness

Did you talk to her / how'd it go? Do we know what the basis for the disclosure was?

From: Lynch, Garrett <LynchG@dany.nyc.gov>
Sent: Friday, January 31, 2020 11:05 AM
To: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Subject: FW: Trial witness

I'll reach out to her today. Let me know if anyone wants to join. The other asterisk with Commerz is that they filed a voluntary disclosure with OFAC regarding the payment – we should discuss whether it's worth having the Commerz witness go into that. It was signed by the head of AML/Anti-Fraud/Sanctions Compliance in NY – I'll see if she's still with the bank.

From: Spiller, Christina (NY) [<mailto:Christina.Spiller@commerzbank.com>]
Sent: Friday, January 31, 2020 10:41 AM
To: Lynch, Garrett <LynchG@dany.nyc.gov>
Cc: Lake, Stephanie (USANYS) <Stephanie.Lake@usdoj.gov>; Krouse, Michael (USANYS) <Michael.Krouse@usdoj.gov>; Kim, Jane (USANYS) 4 <Jane.Kim@usdoj.gov>
Subject: RE: Trial witness

Hello Garrett,

I just got your message and am happy to speak at your convenience. I'm free for most of today (except between 4.30 and 5.30 pm) and next week is pretty flexible as well.

Best,

Christina

Christina Spiller

Commerzbank AG

New York Branch

+1 (212) 895-5267

From: Lynch, Garrett [<mailto:LynchG@dany.nyc.gov>]

Sent: Friday, January 31, 2020 10:18 AM

To: Spiller, Christina (NY)

Cc: Lake, Stephanie (USANYS); Krouse, Michael (USANYS); Kim, Jane (USANYS) 4

Subject: Trial witness

Hello Christina,

I left you a voicemail yesterday about a case I'm handling with the Southern District that is going to trial in early March. It involves a series of USD payments cleared through banks in New York in violation of U.S. sanctions against Iran in the 2011-2013 time period. In particular, one payment in April 2011 was processed through Commerzbank's Frankfurt and New York branches in the amount of \$29 million (the wire transfer record is attached). At trial, we likely will need a witness from Commerz to (a) authenticate the wire transfer record and possibly (b) testify about Commerz's payment screening at that time in NY. Can you let

us know a good time to discuss?

Thanks,

Garrett

Garrett A. Lynch

Deputy Bureau Chief

Major Economic Crimes Bureau

New York County District Attorney's Office

(212) 335-4335

lynchg@dany.nyc.gov

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EXHIBIT 4

From: [Lake, Stephanie \(USANYS\)](#)
To: ["Lynch, Garrett"](#)
Cc: [Kim, Jane \(USANYS\) 4](#); [Krouse, Michael \(USANYS\)](#)
Subject: RE: Sadr - wire transfers
Date: Friday, March 6, 2020 7:48:42 PM

I'm cleaning up email and came upon this. Given what defense did today, I think this could be really valuable to put in. Among other difficulties with doing that is the fact that I don't know that it was ever produced to defense (it's not in the Commerzbank subpoena production). Garrett – do you know where it came from?

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Thank you!

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Sent: Tuesday, January 7, 2020 6:19 PM

To: Lynch, Garrett <LynchG@dany.nyc.gov>

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To: Lynch, Garrett <LynchG@dany.nyc.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>;

Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>

Subject: Sadr - wire transfers

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Also – Garrett, I was thinking that if you don't already have the ability to remotely login to our network, we should have that set up! That way the file paths above wouldn't be useless to you.

Thanks!

Stephanie Lake
Assistant United States Attorney
Southern District of New York
One Saint Andrew's Plaza
New York, NY 10007
Tel: (212) 637-1066

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EXHIBIT 5

From: [Lake, Stephanie \(USANY\)](#)
To: [Krouse, Michael \(USANY\)](#); [Kim, Jane \(USANY\)](#) 4; [Lynch, Garrett \(USANY\)](#) [Contractor]
Subject: Exhibit admission issues & commerzbank
Date: Friday, March 6, 2020 9:45:21 PM
Attachments: [2020.03.6 Exhibit List.docx](#)

I went through the transcripts to confirm that all of the exhibits we've noted as admitted were actually admitted. I found some issues. Not positive what the best way to fix is (aside from the first one, for which I'll just reach out to court reporters).

- 1) In the March 3 transcript (page 114), says Jane offered 910 – 907. Definitely a typo – should be 910-917.
- 2) March 3 (Kazerani) – transcript doesn't reflect 2021A as offered /admitted, although 2021A-T was.
- 3) March 4 (Iran) – transcript doesn't reflect 2104-T being offered / admitted.
- 4) March 5 (SDN/Knowledge of Sanctions) – it looks like the court never officially admitted 1103 after overruling the defense objection.

Can we all talk briefly tomorrow morning about the Commerzbank thing?

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 6

From: [Krouse, Michael \(USANYS\)](#)
To: [Bove, Emil \(USANYS\)](#)
Cc: [Denton, David \(USANYS\)](#); [Crowley, Shawn \(USANYS\)](#)
Subject: Re: Declaration for SDNY case (Delowar)
Date: Friday, March 6, 2020 10:48:49 PM

I'm working on the closing from home tomorrow morning, but will be in the office in the afternoon and Sunday. I can probably take a look at the declaration late tomorrow or Sunday.

Mike

Sent from my iPhone

On Mar 6, 2020, at 8:34 PM, Bove, Emil (USANYS) <EBove@usa.doj.gov> wrote:

Hi guys, we talked to Jenny this afternoon, and, as mentioned to Mike, things seem basically on track to file by 3/18. "Basically" because we have to turn the FBI declaration, which they sent a week late this afternoon, by Monday am. I'm very sorry to be saying/writing that. Shawn and I are around all weekend and can help however you want - just let us know.

Begin forwarded message:

From: "Smith, Jennifer (NSD)" <jensmith@jmd.usdoj.gov>
Date: March 6, 2020 at 8:05:49 PM EST
To: "Bove, Emil (USANYS)" <EBove@usa.doj.gov>, "Crowley, Shawn (USANYS)" <SCrowley@usa.doj.gov>
Subject: Fwd: Declaration for SDNY case

Hi, NSCLB says the draft was sent today. Please let us know if you have it and send any edits back Monday. We hope to get the state secrets package up Tuesday. Thanks and have a great weekend!

Sent from my iPhone

Begin forwarded message:

From: "Mccarthy, Alyssa F. (OGC) (FBI)" <afmccarthy@fbi.gov>
Date: March 6, 2020 at 7:55:06 PM EST
To: "Mccarthy, Dawn L. (OGC) (FBI)" <dlmccarthy2@fbi.gov>, "Smith, Jennifer (NSD) (JMD)" <Jennifer.Smith3@usdoj.gov>
Cc: "McGovern, Clement (NSD) (JMD)" <Clement.McGovern@usdoj.gov>

Subject: RE: Declaration for SDNY case

Jason sent the draft to NY, SDNY and Jen Burke today around 2. We need any revisions back as soon as possible and need to plan out timing, as it will likely come back from the SSC with edits. We can't have the AD sign twice.

-

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 7

From: [Krouse, Michael \(USANY\)](#)
To: [Lake, Stephanie \(USANY\)](#); [Milione, Shawn \(USANY\) \[Contractor\]](#); [Kim, Jane \(USANY\) 4](#); [Garrett Lynch](#)
Subject: Quick question
Date: Saturday, March 7, 2020 1:06:57 AM

Garrett, or anyone else if they know offhand, what is the exhibit that shows that when Ali is asked to provide the owners of Straturk, he sends the registration doc, instead of the long report that shows all the shareholders including M Sadr.

Sent from my iPhone

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 8

From: [Milione, Shawn \(USANYS\) \[Contractor\]](#)
To: [Lake, Stephanie \(USANYS\)](#)
Cc: [Krouse, Michael \(USANYS\)](#); [Kim, Jane \(USANYS\) 4](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#)
Subject: Re: GX 411
Date: Saturday, March 7, 2020 10:51:46 AM

Hey, I'm at the gym right now but can do it as soon as I get back to my apartment. I should be done in about an hour. Is that okay?

Sent from my iPhone

> On Mar 7, 2020, at 10:48 AM, Lake, Stephanie (USANYS) <SLake@usa.doj.gov> wrote:
>
> Hey Shawn,
>
> Can you let me know when you think you'll have a chance to mark this GX 411? If you won't be in for a while and can tell me how to do it, I'm happy to do it myself!
>
> Thanks!
>
> Stephanie Lake
> Assistant United States Attorney
> Southern District of New York
> One Saint Andrew's Plaza
> New York, NY 10007
> Tel: (212) 637-1066
>
> <Commerz OFAC disclosure.pdf>

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 9

From: [Krouse, Michael \(USANYS\)](#)
To: [Kim, Jane \(USANYS\) 4](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#)
Cc: [Lake, Stephanie \(USANYS\)](#)
Subject: RE: Top 10 docs on Intent
Date: Saturday, March 7, 2020 3:38:00 PM

No, because it's not really worth addressing in the first closing, I don't think. More of a rebuttal point, I think.

From: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Sent: Saturday, March 7, 2020 3:37 PM
To: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

Yeah – do you have that?

From: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Sent: Saturday, March 7, 2020 3:23 PM
To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

Occurs to me to add a statute of limitations module.

From: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Sent: Saturday, March 7, 2020 3:18 PM
To: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

Thanks, GL. I'm attaching my rebuttal outline. I expect the first four sections will be what I'll deliver – so I'm trying to go back now and slim down the intent section. I'm going to send to chiefs later today. Happy to receive any thoughts.

Krouse, do you have a draft so I can start going through your closing and seeing how these can fit together better?

Thanks!

From: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Sent: Saturday, March 7, 2020 2:25 PM

To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

This may be redundant, but going back over their opening, I think their themes, which have been born out at trial, are:

1. To the extent Sadr was aware of sanctions, he thought they entirely had to do with terrorism and “nukes” and the Iranian regime – not “ordinary” Iranians or commercial activity.
2. M. Sadr and A. Sadr had no ties to the Iranian regime – they were relentlessly persecuted by it.
3. A. Sadr started a construction company in Turkey (Stratus Int’l) that did projects for Stratus Iran, and he started a business (Clarity) in Switzerland.
4. A. Sadr agreed to help with Venezuelan project to help his father, who was “suffering” in Iran, and to help poor people in Venezuela – never thought such a project could violate sanctions.
5. A. Sadr handled finances for project and “number one rule” was: no USD can be sent back to Iran, and none of it was. Thought OK if no \$ went to Iran.
6. The “bank” (i.e., Hypo, but they paint with a broad brush) knew exactly who they were dealing with – A. Sadr was totally transparent – and never told him he couldn’t do what he wanted to do.
7. De-risking – banks wouldn’t deal with any Iranians.
8. Wanted to get “Iran” out of the name because thought it linked the company to the Iranian government and banks would mistakenly stop the money – i.e., to avoid the hassle of de-risking (i.e., thought these transactions were legit, but banks would stop them, so omitted reference to avoid “hassle”).
9. A. Sadr had a “pure heart”.

From: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Sent: Saturday, March 7, 2020 1:26 PM
To: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Cc: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

Agree!

From: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Sent: Saturday, March 7, 2020 1:25 PM
To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Cc: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: Re: Top 10 docs on Intent

Also, I think you should have modules prepared for bank fraud (particularly the money moving element of prong 2 and the risk of economic harm in prong 1), derisking as an irrelevant concept here, correspondent banking and KYC, knowledge of sanctions (in addition to intent to evade),

slamming down any arguments about what a nice guy he is, and the in Iran piece (why the money was for the benefit of Iranians). Those are the themes I think they'll focus on in their closing. I'm obviously hitting all those in detail in closing, but you should have short modules to knock each down, depending on what they say.

Sent from my iPhone

On Mar 7, 2020, at 1:09 PM, Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov> wrote:

Okay – maybe keep it in and highlight it depending on what happens with the jury charge? If you don't use it, I can do it!

From: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>

Sent: Saturday, March 7, 2020 1:09 PM

To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>

Cc: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>

Subject: Re: Top 10 docs on Intent

All of those. But I think I may cut timing within the conspiracy and just let you handle that. The defense didn't open on it and it's a pretty lame argument.

Sent from my iPhone

On Mar 7, 2020, at 12:55 PM, Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov> wrote:

Okay – we should discuss how to complement one another because this is the bulk of what I'm talking about in the rebuttal (just focusing on intent to evade sanctions)

Are you covering the following topics?

- Benefit to Iran / payments didn't go to Iran
- Kazerani
- Money laundering
- Bank fraud
- Timing within the conspiracy

From: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>

Sent: Saturday, March 7, 2020 12:51 PM

To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>

Cc: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>

Subject: Re: Top 10 docs on Intent

Yep, I emphasize all of these very heavily in the closing.

Sent from my iPhone

On Mar 7, 2020, at 12:32 PM, Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov> wrote:

These are the ones I'm including in rebuttal. Let me know if you have additions.

Inquiries about Clarity and Stratus Turkey

1. GXs 2198, 2199. Clarity as a front.
2. GXs 2032-T, A, 2215C. Stratus Turkey. First payment. Beneficiaries are anonymous.

Doctored Contracts and Invoices

3. GX 2154-2. Doctored contract.
4. GX 2087-B. Doctored invoices.
5. GX 2238. Tells Cetinel not to mention Iran anywhere.

Online presence

6. GX 2139. Remove IIHCO website.
7. GX 2156. Remove Business Year article.

Directives

8. GX 2143: Our story email.
9. GX 2142. No mention of ties to Iran.
10. GX 2145. You idiots, why is Iran in there.

From: Lynch, Garrett (USANYS) [Contractor]

<GLynch@usa.doj.gov>

Sent: Saturday, March 7, 2020 11:53 AM

To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>

Cc: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>;
Lake, Stephanie (USANYS) <SLake@usa.doj.gov>

Subject: Stratus Turkey doc

Did you include in evading the document where Cetinel and Ali are talking about restructuring Stratus Turkey and the need to have five shareholders to meet requirements, but they don't want their own names listed because of issues in Iran and Venezuela? If not, might be good to at least offer it.

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 10

From: [Lake, Stephanie \(USANYS\)](#)
To: [Weingarten, Reid](#); [Heberlig, Brian](#); [Silverman, Nicholas](#)
Cc: [Krouse, Michael \(USANYS\)](#); [Kim, Jane \(USANYS\) 4](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Milione, Shawn \(USANYS\) \[Contractor\]](#)
Subject: U.S. v. Sadr
Date: Saturday, March 7, 2020 4:04:18 PM
Attachments: [GX 2284D.pdf](#)
[3508-008.pdf](#)
[GX 411.pdf](#)
[GX 456.pdf](#)
[GX 495A 2280 Statements.pdf](#)
[GX 495B 9288 Statements.pdf](#)
[GX 704 Redacted.pdf](#)
[GX 705A.pdf](#)
[GX 705B.pdf](#)
[GX 2304A \(rev"d 2020.3.7\).pdf](#)
[3504-10.pdf](#)
[3505-06.pdf](#)
[3513-02.pdf](#)
[3513-03.pdf](#)

Counsel,

Mr. Dubowitz is still very ill. As a result, we do not intend to call him as a witness in our case-in-chief. It's possible that, depending on the defense case, we will call him as a rebuttal witness.

In addition, we've attached the following documents:

- Updated GX 2284D – there were formatting problems with our version. We think the attached corrects them.
- 3508-08 – 3500 from today
- GX 411 – we intend to offer this on Monday. Let us know if you will stipulate to authenticity.
- GX 456 – we intend to offer this on Monday. Let us know if you will stipulate to authenticity.
- GX 495A & B – we intend to offer these on Monday (likely in redacted form), although think a stipulation that the defendant had bank accounts at HSBC from January 2010 through October 2013 might be simpler. Let us know how you prefer to proceed.
- GX 704 – this is the modified version of the travel chart. Please confirm whether you have any remaining concerns.
- GX 705A & B – these are summary charts reflecting the information in GX 2090A. Please confirm whether you have any objections.
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- 3505-06 – Blair 3500, which was provided in hard copy yesterday morning.
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- 3513-03 – Paralegal 3500 for summary chart (you may already have this)

We are still working on one additional summary chart, which we expect to provide later today.

Stephanie Lake
Assistant United States Attorney
Southern District of New York

One Saint Andrew's Plaza
New York, NY 10007
Tel: (212) 637-1066

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 11

From: [Krouse, Michael \(USANYS\)](#)
To: [Lake, Stephanie \(USANYS\)](#); [Weingarten, Reid](#); [Heberlig, Brian](#); [Silverman, Nicholas](#)
Cc: [Kim, Jane \(USANYS\) 4](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Milione, Shawn \(USANYS\) \[Contractor\]](#)
Subject: RE: U.S. v. Sadr
Date: Saturday, March 7, 2020 4:43:00 PM

Just to also flag that our position on Dubowitz is also in the email below. I also wanted to let you know that the Government is not going to offer GX 502, so no need to file a brief on that.

From: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Sent: Saturday, March 7, 2020 4:24 PM
To: Weingarten, Reid <RWeingarten@steptoe.com>; Heberlig, Brian <BHeberlig@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>
Cc: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Milione, Shawn (USANYS) [Contractor] <SMilione@usa.doj.gov>
Subject: RE: U.S. v. Sadr

Counsel,

We attempted to send you a number of attachments, which will not go through without encryption. It looks like Steptoe's servers are blocking the encrypted email. Shawn will upload the files to the link he has been using. The descriptions are below.

Stephanie

From: Lake, Stephanie (USANYS)
Sent: Saturday, March 07, 2020 4:04 PM
To: Weingarten, Reid <RWeingarten@steptoe.com>; Heberlig, Brian <BHeberlig@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>
Cc: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Milione, Shawn (USANYS) [Contractor] <SMilione@usa.doj.gov>
Subject: U.S. v. Sadr

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In addition, we've attached the following documents:

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- 3513-03 – Paralegal 3500 for summary chart (you may already have this)

We are still working on one additional summary chart, which we expect to provide later today.

Stephanie Lake
Assistant United States Attorney
Southern District of New York
One Saint Andrew's Plaza
New York, NY 10007
Tel: (212) 637-1066

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 12

From: [Heberlig, Brian](#)
To: [Lake, Stephanie \(USANYS\)](#); [Weingarten, Reid](#); [Silverman, Nicholas](#)
Cc: [Krouse, Michael \(USANYS\)](#); [Kim, Jane \(USANYS\) 4](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Milione, Shawn \(USANYS\) \[Contractor\]](#)
Subject: RE: U.S. v. Sadr
Date: Saturday, March 7, 2020 4:57:03 PM

We request immediate disclosure of (1) where GX411 came from, (2) how long it has been in the government's possession, (3) why we are only receiving it today. This is the second episode—along with GX430, GX431, and GX432—of the government producing fundamentally exculpatory documents mid-trial. In this instance, the document was produced after the government's OFAC witness, who would have been subject to cross-examination on this document. Provide this information by 6 pm or we will see the intervention of the Court.

From: Lake, Stephanie (USANYS) <Stephanie.Lake@usdoj.gov>
Sent: Saturday, March 7, 2020 4:24 PM
To: Weingarten, Reid <RWeingarten@steptoe.com>; Heberlig, Brian <BHeberlig@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>
Cc: Krouse, Michael (USANYS) <Michael.Krouse@usdoj.gov>; Kim, Jane (USANYS) 4 <Jane.Kim@usdoj.gov>; Lynch, Garrett (USANYS) [Contractor] <Garrett.Lynch@usdoj.gov>; Milione, Shawn (USANYS) [Contractor] <Shawn.Milione@usdoj.gov>
Subject: RE: U.S. v. Sadr

Counsel,

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Sent: Saturday, March 07, 2020 4:04 PM
To: Weingarten, Reid <RWeingarten@steptoe.com>; Heberlig, Brian <BHeberlig@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>
Cc: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Milione, Shawn (USANYS) [Contractor] <SMilione@usa.doj.gov>
Subject: U.S. v. Sadr

Counsel,

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chief. It's possible that, depending on the defense case, we will call him as a rebuttal witness.

In addition, we've attached the following documents:

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We are still working on one additional summary chart, which we expect to provide later today.

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Assistant United States Attorney
Southern District of New York
One Saint Andrew's Plaza
New York, NY 10007
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Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 13

From: [Lake, Stephanie \(USANY\)](#)
To: [Krouse, Michael \(USANY\)](#); [Kim, Jane \(USANY\)](#) 4; [Lynch, Garrett \(USANY\)](#) [Contractor]
Subject: Proposed response
Date: Saturday, March 7, 2020 5:23:01 PM

Brian,

We do not agree with your characterization of GX 430, 431, 432, or 411 as *Brady*. These are all exhibits the Government has introduced or is seeking to introduce in our case. Perhaps you can explain how it is you think GX 411 is helpful to your case.

In any event, we have been aware of the letter since mid-January. We thought it was part of the Commerzbank subpoena return that was produced in discovery. We now understand that it came from an unrelated DANY investigation, and therefore was not in the Commerzbank subpoena return.

It is not clear to us how this document would have been relevant to the OFAC witness's testimony.

Stephanie Lake
Assistant United States Attorney
Southern District of New York
One Saint Andrew's Plaza
New York, NY 10007
Tel: (212) 637-1066

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 14

From: [Kim, Jane \(USANYS\) 4](#)
To: [Heberlig, Brian](#); [Lake, Stephanie \(USANYS\)](#); [Weingarten, Reid](#); [Silverman, Nicholas](#)
Cc: [Krouse, Michael \(USANYS\)](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Milione, Shawn \(USANYS\) \[Contractor\]](#)
Subject: RE: U.S. v. Sadr
Date: Saturday, March 7, 2020 5:36:11 PM

Brian,

We do not agree with your characterization of GX 430, 431, 432, or 411 as *Brady*. These are all exhibits the Government has introduced or is seeking to introduce in our case. Perhaps you can explain how it is you think GX 411 is helpful to your case.

In any event, we have been aware of the letter since mid-January. We thought it was part of the Commerzbank subpoena return that was produced in discovery. We now understand that it came from an unrelated DANY investigation, and therefore was not in the Commerzbank subpoena return.

It is not clear to us how this document would have been relevant to the OFAC witness's testimony.

Jane

From: Heberlig, Brian <BHeberlig@steptoe.com>
Sent: Saturday, March 7, 2020 4:57 PM
To: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Weingarten, Reid <RWeingarten@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>
Cc: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Milione, Shawn (USANYS) [Contractor] <SMilione@usa.doj.gov>
Subject: RE: U.S. v. Sadr

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Shawn (USANYS) [Contractor] <Shawn.Milione@usdoj.gov>

Subject: RE: U.S. v. Sadr

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Cc: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Milione, Shawn (USANYS) [Contractor] <SMilione@usa.doj.gov>

Subject: U.S. v. Sadr

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Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 15

From: [Heberlig, Brian](#)
To: [Kim, Jane \(USANYS\) 4](#); [Lake, Stephanie \(USANYS\)](#); [Weingarten, Reid](#); [Silverman, Nicholas](#)
Cc: [Krouse, Michael \(USANYS\)](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Milione, Shawn \(USANYS\) \[Contractor\]](#)
Subject: RE: U.S. v. Sadr
Date: Saturday, March 7, 2020 10:09:00 PM

If you have been aware of the letter since mid-January, why wasn't it on the government's pretrial exhibit list instead of appearing the day before the government rests its case? The exculpatory nature of the exhibit is self-evident.

From: Kim, Jane (USANYS) 4 <Jane.Kim@usdoj.gov>
Sent: Saturday, March 7, 2020 5:36 PM
To: Heberlig, Brian <BHeberlig@steptoe.com>; Lake, Stephanie (USANYS) <Stephanie.Lake@usdoj.gov>; Weingarten, Reid <RWeingarten@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>
Cc: Krouse, Michael (USANYS) <Michael.Krouse@usdoj.gov>; Lynch, Garrett (USANYS) [Contractor] <Garrett.Lynch@usdoj.gov>; Milione, Shawn (USANYS) [Contractor] <Shawn.Milione@usdoj.gov>
Subject: RE: U.S. v. Sadr

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Sent: Saturday, March 7, 2020 4:24 PM
To: Weingarten, Reid <RWeingarten@steptoe.com>; Heberlig, Brian <BHeberlig@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>
Cc: Krouse, Michael (USANYS) <Michael.Krouse@usdoj.gov>; Kim, Jane (USANYS) 4 <Jane.Kim@usdoj.gov>; Lynch, Garrett (USANYS) [Contractor] <Garrett.Lynch@usdoj.gov>; Milione, Shawn (USANYS) [Contractor] <Shawn.Milione@usdoj.gov>
Subject: RE: U.S. v. Sadr

Counsel,

We attempted to send you a number of attachments, which will not go through without encryption. It looks like Steptoe's servers are blocking the encrypted email. Shawn will upload the files to the link he has been using. The descriptions are below.

Stephanie

From: Lake, Stephanie (USANYS)
Sent: Saturday, March 07, 2020 4:04 PM
To: Weingarten, Reid <RWeingarten@steptoe.com>; Heberlig, Brian <BHeberlig@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>
Cc: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Milione, Shawn (USANYS) [Contractor] <SMilione@usa.doj.gov>
Subject: U.S. v. Sadr

Counsel,

Mr. Dubowitz is still very ill. As a result, we do not intend to call him as a witness in our case-in-chief. It's possible that, depending on the defense case, we will call him as a rebuttal witness.

In addition, we've attached the following documents:

- Updated GX 2284D – there were formatting problems with our version. We think the attached corrects them.
- 3508-08 – 3500 from today

- GX 411 – we intend to offer this on Monday. Let us know if you will stipulate to authenticity.
- GX 456 – we intend to offer this on Monday. Let us know if you will stipulate to authenticity.
- GX 495A & B – we intend to offer these on Monday (likely in redacted form), although think a stipulation that the defendant had bank accounts at HSBC from January 2010 through October 2013 might be simpler. Let us know how you prefer to proceed.
- GX 704 – this is the modified version of the travel chart. Please confirm whether you have any remaining concerns.
- GX 705A & B – these are summary charts reflecting the information in GX 2090A. Please confirm whether you have any objections.
- Updated GX 2304A – we enlarged some of the cells, as the formatting of the PDFd excel file was cutting off some of the data. The content is the same.
- 3504-10 – Peri 3500, which was provided in hard copy yesterday morning.
- 3505-06 – Blair 3500, which was provided in hard copy yesterday morning.
- 3513-02 – Paralegal 3500 for summary chart (you may already have this)
- 3513-03 – Paralegal 3500 for summary chart (you may already have this)

We are still working on one additional summary chart, which we expect to provide later today.

Stephanie Lake
Assistant United States Attorney
Southern District of New York
One Saint Andrew's Plaza
New York, NY 10007
Tel: (212) 637-1066

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 16

From: [Kim, Jane \(USANYS\) 4](#)
To: [Lake, Stephanie \(USANYS\)](#); [Krouse, Michael \(USANYS\)](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Lynch, Garrett](#)
Subject: RE: Klingensmith/Parsi Letter
Date: Saturday, March 7, 2020 7:19:54 PM
Attachments: [2020.03.07 Letter to Nathan re defense witnesses v4.docx](#)

Looks great – thanks for doing this. I fixed two minor nits in the attached. I don't think we should spend more time on this.

From: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Sent: Saturday, March 7, 2020 7:15 PM
To: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett <LynchG@dany.nyc.gov>
Subject: RE: Klingensmith/Parsi Letter

Here's an updated draft. It's not very good. I (like everyone else) am very tired.

From: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Sent: Saturday, March 07, 2020 5:16 PM
To: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Lynch, Garrett <LynchG@dany.nyc.gov>
Subject: RE: Klingensmith/Parsi Letter

Also, we should file this after the defense gives us notice of witnesses at 6pm tomorrow. So let's plan to file at 7pm. And add a sentence that, at 6pm today, defense provided notice that they intended to call ____.

From: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Sent: Saturday, March 7, 2020 5:08 PM
To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett <LynchG@dany.nyc.gov>
Subject: RE: Klingensmith/Parsi Letter

From: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Sent: Saturday, March 7, 2020 5:02 PM
To: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett <LynchG@dany.nyc.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Subject: Klingensmith/Parsi Letter

Let me know if you want to look or if I should send to Chiefs.

Jane Kim
Assistant United States Attorney
Southern District of New York
One St. Andrew's Plaza
New York, New York 10007
Phone: (212) 637-2038
Email: jane.kim@usdoj.gov

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 17

From: [Lake, Stephanie \(USANYS\)](#)
To: [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Kim, Jane \(USANYS\) 4](#); [Krouse, Michael \(USANYS\)](#)
Subject: RE: Sadr - Letter Re Defense Witnesses
Date: Saturday, March 7, 2020 10:17:50 PM

Emil has some worries that the cross stuff will come across as chilling. He's fine if we want to talk it through in the morning and then decide whether to leave it in when we file. So let's plan to do that.

Also, wtf Heberlig.

From: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Sent: Saturday, March 7, 2020 8:52 PM
To: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Subject: FW: Sadr - Letter Re Defense Witnesses

The investigations were conducted by the Malta Financial Services Authority and the EU. The investigations preceded his arrest, but the European Central Bank yanked its license in November 2018 – about six months after his arrest.

From: Bove, Emil (USANYS) <EBove@usa.doj.gov>
Sent: Saturday, March 7, 2020 8:30 PM
To: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Cc: Crowley, Shawn (USANYS) <SCrowley@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Subject: Re: Sadr - Letter Re Defense Witnesses

Thank you. A few thoughts below. Happy to discuss by phone.

- I'm not sure there's a formal, full name intro of the experts. Might add that earlier.
- I apologize if I missed it, but the cross part should be redacted on ECF, and we should request temporary sealing for that part based on privacy concerns.
- I would modify #6 for Parsi to something that refers more generally to his apparent or alleged activities on behalf of the Iranian government in the US. I would stop short of accusing him of a crime in this letter, which would be a pretty big deal and some might see as an effort to intimidate the witness into not testifying. In the next paragraph, I would specify what we think he is doing here on behalf of Iran. I agree those acts are a bias issue, but I don't think the judge can rule on the motion without that information. We and the FBI should also be mindful that, in making this motion, we could get asked in open court about the basis for asking these questions.
- similar reaction to the Kling. investigations point. We should specify the agencies involved in the investigations, what the investigations were focused on, and when they were conducted. We should also be able to point to or explain the basis of our knowledge here - I say that only because if it is sensitive, that could create issues for us.

-when was the charter revoked? In the analysis part, I think AJN will need more detail about the charter issue to decide if it is relevant to his dishonesty as opposed to someone else's.

-I'm not sure the investigations bear on his honesty, at least not on an automatic basis as the letter kind of suggests. There might be facts related to the investigations or the underlying conduct that challenge his honesty, and if so I would lay those out. For me, the investigations relate more to giving him a bias to present a certain cleaned-up law-abiding bent on all of this. That is the point I would make.

On Mar 7, 2020, at 7:50 PM, Lake, Stephanie (USANYS) <SLake@usa.doj.gov> wrote:

[See attached with revisions.](#)

From: Crowley, Shawn (USANYS) <SCrowley@usa.doj.gov>
Sent: Saturday, March 07, 2020 6:07 PM
To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Cc: Bove, Emil (USANYS) <EBove@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Subject: Re: Sadr - Letter Re Defense Witnesses

Got it, thanks. We do think it makes sense to file tonight—it'll Nathan a chance to read and also (maybe?) force them to be more thoughtful/careful about who they're including in their witness list.

We both just left but are available by cell and can take a look at the next draft of the letter when it's ready. In terms of timing, we won't be able to look at the jury addresses until tomorrow morning (early), so feel free to continue tinkering until then. Thanks guys.

On Mar 7, 2020, at 5:54 PM, Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov> wrote:

I circulated a draft rebuttal to the team at 3:30pm. I am waiting for comments back from the team and for Michael to finish his closing so that we can review the two documents and see how they can better complement one another. I then picked up on this letter because it hadn't been finished and I thought we were planning to file it tonight. I didn't know about Shawn's request – and that's why I had asked the question. If you'd like to discuss with the team, we're all here. Thanks.

From: Bove, Emil (USANYS) <EBove@usa.doj.gov>
Sent: Saturday, March 7, 2020 5:38 PM

To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Crowley, Shawn (USANYS) <SCrowley@usa.doj.gov>

Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>

Subject: RE: Sadr - Letter Re Defense Witnesses

Thanks. In the first part, we agree it makes sense to move to preclude these particular experts based on their lack of qualifications, but please cut the paragraph that begins “The defense’s proposed expert testimony on “de-risking” should also be precluded as irrelevant and prejudicial under Rules 401 and 403.” That ship has sailed. Please build out Part II, both factually and with legal analysis.

To be clear, Shawn and I are not “worr[ie]d.” But I did specifically ask yesterday that you focus on the rebuttal instead of this letter, and it does not seem like that happened. We also want to make sure that the team has reviewed both jury addresses and stands behind them before they are sent to us tonight. And Shawn specifically asked today that this letter be filed tonight, so we are not following the comment about you guys having decided that it “make[s] sense to file tomorrow night” without speaking to us. We’re both here and happy to talk about timing or anything else, but not comfortable with the way our guidance is being addressed right now.

From: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>

Sent: Saturday, March 7, 2020 5:21 PM

To: Bove, Emil (USANYS) <EBove@usa.doj.gov>; Crowley, Shawn (USANYS) <SCrowley@usa.doj.gov>

Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>

Subject: Sadr - Letter Re Defense Witnesses

Chiefs:

Attaching a draft letter on (1) defense expert testimony on de-risking; and (2) cross topics for Parsi and Klingensmith. We had discussed filing this tonight, but it might also make sense to file tomorrow night at 7pm, after defense notifies us that they intend to call these people (at 6pm) – but that could piss Nathan off. What do you think?

(And don’t worry, I finished a draft rebuttal midday today and am continuing to refine now.)

Jane Kim
Assistant United States Attorney
Southern District of New York
One St. Andrew's Plaza
New York, New York 10007
Phone: (212) 637-2038
Email: jane.kim@usdoj.gov

<2020.03.07 Letter to Nathan re defense witnesses v4.docx>

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 18

From: [Krouse, Michael \(USANYS\)](#)
To: [Emil J. .Bove \(Emil.Bove@usdoj.gov\)](#); [Shawn G. .Crowley \(Shawn.Crowley@usdoj.gov\)](#)
Cc: [Lake, Stephanie \(USANYS\)](#); [Kim, Jane \(USANYS\) 4](#); [Lynch, Garrett](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#)
Subject: Draft closing
Date: Sunday, March 8, 2020 3:19:57 AM
Attachments: [Sadr closing \(7\).docx](#)

Still a work in progress, but here is a draft to review. I'm going to keep working on it tomorrow, but welcome any suggestions, and available to talk any time.

Mike

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 19

From: [Krouse, Michael \(USANYS\)](#)
To: [Kim, Jane \(USANYS\) 4](#)
Cc: [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Lake, Stephanie \(USANYS\)](#)
Subject: Re: Top 10 docs on Intent
Date: Sunday, March 8, 2020 3:27:47 AM

Thanks! I accepted the changes and kept working until now. I sent a draft to the chiefs so they have it in the morning, since I'll probably try to sleep at least until around 9 (if kids allow). I'm planning to come in around 1.

Sent from my iPhone

On Mar 7, 2020, at 9:35 PM, Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov> wrote:

I think this looks great. Attaching minor nits.

Questions:

<!--[if !supportLists]--> <!--[endif]-->Does talking about de-risking in the closing
sound too defensive?
<!--[if !supportLists]--> <!--[endif]-->Should you talk more about the
SDNs/IRGC?

I'm going to work on making the rebuttal more punchy/less explainy tomorrow morning – and I'll incorporate any comments from you then before sending to Chiefs.

From: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Sent: Saturday, March 7, 2020 8:00 PM
To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

Here is a draft. Still some sections to fill, and I need to write the conclusion. And I need to fill transcript cites, etc. But this is what I'm thinking. It's 18-single-spaced pages.

From: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Sent: Saturday, March 7, 2020 7:56 PM
To: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

Attaching an update. I'm going to take a break and revise again late tonight or first thing tomorrow. Krouse, do you want to send our docs together tomorrow AM?

From: Kim, Jane (USANYS) 4
Sent: Saturday, March 7, 2020 3:37 PM
To: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

Yeah – do you have that?

From: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Sent: Saturday, March 7, 2020 3:23 PM
To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

Occurs to me to add a statute of limitations module.

From: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Sent: Saturday, March 7, 2020 3:18 PM
To: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

Thanks, GL. I'm attaching my rebuttal outline. I expect the first four sections will be what I'll deliver – so I'm trying to go back now and slim down the intent section. I'm going to send to chiefs later today. Happy to receive any thoughts.

Krouse, do you have a draft so I can start going through your closing and seeing how these can fit together better?

Thanks!

From: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>
Sent: Saturday, March 7, 2020 2:25 PM
To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Cc: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Subject: RE: Top 10 docs on Intent

This may be redundant, but going back over their opening, I think their themes, which have been born out at trial, are:

<!--[if !supportLists]-->1. <!--[endif]-->To the extent Sadr was aware of sanctions,

he thought they entirely had to do with terrorism and “nukes” and the Iranian regime – not “ordinary” Iranians or commercial activity.

<!--[if !supportLists]-->2. <!--[endif]-->M. Sadr and A. Sadr had no ties to the Iranian regime – they were relentlessly persecuted by it.

<!--[if !supportLists]-->3. <!--[endif]-->A. Sadr started a construction company in Turkey (Stratus Int'l) that did projects for Stratus Iran, and he started a business (Clarity) in Switzerland.

<!--[if !supportLists]-->4. <!--[endif]-->A. Sadr agreed to help with Venezuelan project to help his father, who was “suffering” in Iran, and to help poor people in Venezuela – never thought such a project could violate sanctions.

<!--[if !supportLists]-->5. <!--[endif]-->A. Sadr handled finances for project and “number one rule” was: no USD can be sent back to Iran, and none of it was. Thought OK if no \$ went to Iran.

<!--[if !supportLists]-->6. <!--[endif]-->The “bank” (i.e., Hypo, but they paint with a broad brush) knew exactly who they were dealing with – A. Sadr was totally transparent – and never told him he couldn’t do what he wanted to do.

<!--[if !supportLists]-->7. <!--[endif]-->De-risking – banks wouldn’t deal with any Iranians.

<!--[if !supportLists]-->8. <!--[endif]-->Wanted to get “Iran” out of the name because thought it linked the company to the Iranian government and banks would mistakenly stop the money – i.e., to avoid the hassle of de-risking (i.e., thought these transactions were legit, but banks would stop them, so omitted reference to avoid “hassle”).

<!--[if !supportLists]-->9. <!--[endif]-->A. Sadr had a “pure heart”.

From: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>

Sent: Saturday, March 7, 2020 1:26 PM

To: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>

Cc: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>

Subject: RE: Top 10 docs on Intent

Agree!

From: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>

Sent: Saturday, March 7, 2020 1:25 PM

To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>

Cc: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>

Subject: Re: Top 10 docs on Intent

Also, I think you should have modules prepared for bank fraud (particularly the money moving element of prong 2 and the risk of economic harm in prong 1), derisking as an irrelevant concept here, correspondent banking and KYC, knowledge of sanctions (in addition to intent to evade), slamming down any arguments about what a nice guy he is, and the in Iran piece (why the money was for the benefit of Iranians). Those are the themes I think they’ll focus on in their closing. I’m obviously hitting all those in detail in closing, but you should have short modules to knock each down, depending on what they say.

Sent from my iPhone

On Mar 7, 2020, at 1:09 PM, Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov> wrote:

Okay – maybe keep it in and highlight it depending on what happens with the jury charge? If you don't use it, I can do it!

From: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>

Sent: Saturday, March 7, 2020 1:09 PM

To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>

Cc: Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>

Subject: Re: Top 10 docs on Intent

All of those. But I think I may cut timing within the conspiracy and just let you handle that. The defense didn't open on it and it's a pretty lame argument.

Sent from my iPhone

On Mar 7, 2020, at 12:55 PM, Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov> wrote:

Okay – we should discuss how to complement one another because this is the bulk of what I'm talking about in the rebuttal (just focusing on intent to evade sanctions)

Are you covering the following topics?

<!--[if !supportLists]-->	<!--[endif]-->	Benefit to Iran /
		payments didn't go to Iran
<!--[if !supportLists]-->	<!--[endif]-->	Kazerani
<!--[if !supportLists]-->	<!--[endif]-->	Money
		laundering
<!--[if !supportLists]-->	<!--[endif]-->	Bank fraud
<!--[if !supportLists]-->	<!--[endif]-->	Timing within
		the conspiracy

From: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>

Sent: Saturday, March 7, 2020 12:51 PM

To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>

Cc: Lynch, Garrett (USANYS) [Contractor]
<GLynch@usa.doj.gov>; Lake, Stephanie (USANYS)
<SLake@usa.doj.gov>

Subject: Re: Top 10 docs on Intent

Yep, I emphasize all of these very heavily in the closing.

Sent from my iPhone

On Mar 7, 2020, at 12:32 PM, Kim, Jane (USANYS) 4
<JKim4@usa.doj.gov> wrote:

These are the ones I'm including in rebuttal.
Let me know if you have additions.

Inquiries about Clarity and Stratus Turkey

<!--[if !supportLists]-->1. <!--[endif]--
>GXs 2198, 2199. Clarity as a front.
<!--[if !supportLists]-->2. <!--[endif]--
>GXs 2032-T, A, 2215C. Stratus
Turkey. First payment. Beneficiaries
are anonymous.

Doctored Contracts and Invoices

<!--[if !supportLists]-->3. <!--[endif]-->GX
2154-2. Doctored contract.
<!--[if !supportLists]-->4. <!--[endif]-->GX
2087-B. Doctored invoices.
<!--[if !supportLists]-->5. <!--[endif]-->GX
2238. Tells Cetinel not to mention Iran
anywhere.

Online presence

<!--[if !supportLists]-->6. <!--[endif]-->GX
2139. Remove IIHCO website.
<!--[if !supportLists]-->7. <!--[endif]-->GX
2156. Remove Business Year article.

Directives

<!--[if !supportLists]-->8. <!--[endif]-->GX
2143: Our story email.
<!--[if !supportLists]-->9. <!--[endif]-->GX
2142. No mention of ties to Iran.
<!--[if !supportLists]-->10. <!--[endif]-->GX
2145. You idiots, why is Iran in there.

From: Lynch, Garrett (USANYS) [Contractor]
<GLynch@usa.doj.gov>
Sent: Saturday, March 7, 2020 11:53 AM
To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Cc: Krouse, Michael (USANYS)
<MKrouse@usa.doj.gov>; Lake, Stephanie
(USANYS) <SLake@usa.doj.gov>
Subject: Stratus Turkey doc

Did you include in evading the document
where Cetinel and Ali are talking about
restructuring Stratus Turkey and the need to

have five shareholders to meet requirements,
but they don't want their own names listed
because of issues in Iran and Venezuela? If not,
might be good to at least offer it.

<Sadr closing (6)_jk.docx>

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 20

From: [Kim, Jane \(USANYS\) 4](#)
To: [Lake, Stephanie \(USANYS\)](#); [Krouse, Michael \(USANYS\)](#); LynchG@dany.nyc.gov; [Lynch, Garrett \(USANYS\)](#)
[\[Contractor\]](#)
Subject: Proposed email to Brian
Date: Sunday, March 8, 2020 7:30:10 AM

Brian,

As I explained in my last email, when we first saw the document in mid-January, we thought it had been part of Commerzbank's subpoena return and had been produced. Then, as we were marking exhibits and re-pulling all of the email exhibits up until 6 days before trial—because you objected to us pulling clean and authentic versions of all of the email evidence earlier—we didn't mark this document because it wasn't in our subpoena returns folder. Because of your cross of Peri on Friday, we looked for the document and realized late Friday night that it had not been marked or a part of the bank's subpoena return. Again, we don't see this document as exculpatory, as we would like to offer it tomorrow.

From: [Lake, Stephanie \(USANYS\)](#)
To: [Kim, Jane \(USANYS\) 4](#)
Cc: [Krouse, Michael \(USANYS\)](#); LynchG@dany.nyc.gov; [Lynch, Garrett \(USANYS\) \[Contractor\]](#)
Subject: Re: Proposed email to Brian
Date: Sunday, March 8, 2020 7:54:42 AM

Thank you for doing this. I think it's fair to say that we didn't think it was necessary to use when we saw it in January given our other evidence, assumed it was part of the Commerz subpoena return, and then never discussed it again. But we stumbled upon it this weekend and decided it would be useful given some of the arguments he made on Friday.

> On Mar 8, 2020, at 7:30 AM, Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov> wrote:

>

> Brian,

>

> As I explained in my last email, when we first saw the document in mid-January, we thought it had been part of Commerzbank's subpoena return and had been produced. Then, as we were marking exhibits and re-pulling all of the email exhibits up until 6 days before trial—because you objected to us pulling clean and authentic versions of all of the email evidence earlier—we didn't mark this document because it wasn't in our subpoena re. Because of your cross of Peri on Friday, we looked for the document and realized late Friday night that it had not been marked or a part of the bank's subpoena return. Again, we don't see this document as exculpatory, as we would like to offer it tomorrow.

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 21

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 22

From: [Kim, Jane \(USANYS\) 4](#)
To: [Lake, Stephanie \(USANYS\)](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Krouse, Michael \(USANYS\)](#)
Subject: FW: Proposed email to Brian
Date: Sunday, March 8, 2020 9:32:07 AM

How's this?

#

Brian,

As I explained in my last email, when we first saw the document in mid-January, we thought it had been part of Commerzbank's subpoena return and had been produced. We didn't think it would be necessary to use given our other evidence about that payment. Given some of the arguments you made on Friday, we pulled the document and realized late Friday night that it hadn't been marked or part of the bank's subpoena return. Again, we don't see this document as exculpatory, as we would like to offer it tomorrow.

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 23

From: [Lake, Stephanie \(USANYS\)](#)
To: [Kim, Jane \(USANYS\) 4](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Krouse, Michael \(USANYS\)](#)
Subject: RE: Proposed email to Brian
Date: Sunday, March 8, 2020 9:36:39 AM

Few proposed tweaks below. Thank you for doing this. I'm a wimp.

-----Original Message-----

From: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Sent: Sunday, March 08, 2020 9:32 AM
To: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Subject: FW: Proposed email to Brian

How's this?

#

Brian,

As I explained in my last email, when we first saw the document in mid-January, we thought it had been part of Commerzbank's subpoena return and had been produced. We didn't think it would be necessary to use given our other evidence about that payment. Given some of the arguments you made on Friday, we decided that we did want to introduce it at trial.

Again, we don't see this document as exculpatory, as we would like to offer it tomorrow. Can you let us know your position on an authenticity stipulation for this document and the other bank records we sent yesterday, as well as whether you have any issues with the summary charts?

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 24

From: [Kim, Jane \(USANYS\) 4](#)
To: [Lake, Stephanie \(USANYS\)](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Krouse, Michael \(USANYS\)](#)
Subject: RE: Proposed email to Brian
Date: Sunday, March 8, 2020 9:37:51 AM

Will send now. Thanks!

-----Original Message-----

From: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>
Sent: Sunday, March 8, 2020 9:37 AM
To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Subject: RE: Proposed email to Brian

Few proposed tweaks below. Thank you for doing this. I'm a wimp.

-----Original Message-----

From: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>
Sent: Sunday, March 08, 2020 9:32 AM
To: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>
Subject: FW: Proposed email to Brian

How's this?

#

Brian,

As I explained in my last email, when we first saw the document in mid-January, we thought it had been part of Commerzbank's subpoena return and had been produced. We didn't think it would be necessary to use given our other evidence about that payment. Given some of the arguments you made on Friday, we decided that we did want to introduce it at trial.

Again, we don't see this document as exculpatory, as we would like to offer it tomorrow. Can you let us know your position on an authenticity stipulation for this document and the other bank records we sent yesterday, as well as whether you have any issues with the summary charts?

Exhibits to the October 16, 2020 Declaration of Michael K. Krouse

EXHIBIT 25

From: [Kim, Jane \(USANYS\) 4](#)
To: ["Heberlig, Brian"](#); [Lake, Stephanie \(USANYS\)](#); [Weingarten, Reid](#); [Silverman, Nicholas](#)
Cc: [Krouse, Michael \(USANYS\)](#); [Lynch, Garrett \(USANYS\) \[Contractor\]](#); [Milione, Shawn \(USANYS\) \[Contractor\]](#)
Subject: RE: U.S. v. Sadr
Date: Sunday, March 8, 2020 9:41:23 AM

Brian, Reid, and Nick:

As I explained in my last email, when we first saw the document in mid-January, we thought it had been part of Commerzbank's subpoena return and had been produced. We didn't think it would be necessary to use given our other evidence about that payment. Given some of the arguments you made on Friday, we decided that we did want to introduce it at trial.

Again, we don't see this document as exculpatory, as we would like to offer it tomorrow. Can you please let us know your position on an authenticity stipulation for this document and the other bank records we sent yesterday, as well as whether you have any issues with the summary charts?

Thanks,
Jane

From: Heberlig, Brian <BHeberlig@steptoe.com>
Sent: Saturday, March 7, 2020 10:09 PM
To: Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Weingarten, Reid <RWeingarten@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>
Cc: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Milione, Shawn (USANYS) [Contractor] <SMilione@usa.doj.gov>
Subject: RE: U.S. v. Sadr

If you have been aware of the letter since mid-January, why wasn't it on the government's pretrial exhibit list instead of appearing the day before the government rests its case? The exculpatory nature of the exhibit is self-evident.

From: Kim, Jane (USANYS) 4 <Jane.Kim@usdoj.gov>
Sent: Saturday, March 7, 2020 5:36 PM
To: Heberlig, Brian <BHeberlig@steptoe.com>; Lake, Stephanie (USANYS) <Stephanie.Lake@usdoj.gov>; Weingarten, Reid <RWeingarten@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>
Cc: Krouse, Michael (USANYS) <Michael.Krouse@usdoj.gov>; Lynch, Garrett (USANYS) [Contractor] <Garrett.Lynch@usdoj.gov>; Milione, Shawn (USANYS) [Contractor] <Shawn.Milione@usdoj.gov>
Subject: RE: U.S. v. Sadr

Brian,

We do not agree with your characterization of GX 430, 431, 432, or 411 as *Brady*. These are all exhibits the Government has introduced or is seeking to introduce in our case. Perhaps you can explain how it is you think GX 411 is helpful to your case.

In any event, we have been aware of the letter since mid-January. We thought it was part of the Commerzbank subpoena return that was produced in discovery. We now understand that it came from an unrelated DANY investigation, and therefore was not in the Commerzbank subpoena return.

It is not clear to us how this document would have been relevant to the OFAC witness's testimony.

Jane

From: Heberlig, Brian <BHeberlig@steptoe.com>

Sent: Saturday, March 7, 2020 4:57 PM

To: Lake, Stephanie (USANYS) <SLake@usa.doj.gov>; Weingarten, Reid <RWeingarten@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>

Cc: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Milione, Shawn (USANYS) [Contractor] <SMilione@usa.doj.gov>

Subject: RE: U.S. v. Sadr

We request immediate disclosure of (1) where GX411 came from, (2) how long it has been in the government's possession, (3) why we are only receiving it today. This is the second episode—along with GX430, GX431, and GX432—of the government producing fundamentally exculpatory documents mid-trial. In this instance, the document was produced after the government's OFAC witness, who would have been subject to cross-examination on this document. Provide this information by 6 pm or we will see the intervention of the Court.

From: Lake, Stephanie (USANYS) <Stephanie.Lake@usdoj.gov>

Sent: Saturday, March 7, 2020 4:24 PM

To: Weingarten, Reid <RWeingarten@steptoe.com>; Heberlig, Brian <BHeberlig@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>

Cc: Krouse, Michael (USANYS) <Michael.Krouse@usdoj.gov>; Kim, Jane (USANYS) 4 <Jane.Kim@usdoj.gov>; Lynch, Garrett (USANYS) [Contractor] <Garrett.Lynch@usdoj.gov>; Milione, Shawn (USANYS) [Contractor] <Shawn.Milione@usdoj.gov>

Subject: RE: U.S. v. Sadr

Counsel,

We attempted to send you a number of attachments, which will not go through without encryption. It looks like Steptoe's servers are blocking the encrypted email. Shawn will upload the files to the link

he has been using. The descriptions are below.

Stephanie

From: Lake, Stephanie (USANYS)

Sent: Saturday, March 07, 2020 4:04 PM

To: Weingarten, Reid <RWeingarten@steptoe.com>; Heberlig, Brian <BHeberlig@steptoe.com>; Silverman, Nicholas <nsilverman@steptoe.com>

Cc: Krouse, Michael (USANYS) <MKrouse@usa.doj.gov>; Kim, Jane (USANYS) 4 <JKim4@usa.doj.gov>; Lynch, Garrett (USANYS) [Contractor] <GLynch@usa.doj.gov>; Milione, Shawn (USANYS) [Contractor] <SMilione@usa.doj.gov>

Subject: U.S. v. Sadr

Counsel,

Mr. Dubowitz is still very ill. As a result, we do not intend to call him as a witness in our case-in-chief. It's possible that, depending on the defense case, we will call him as a rebuttal witness.

In addition, we've attached the following documents:

- Updated GX 2284D – there were formatting problems with our version. We think the attached corrects them.
- 3508-08 – 3500 from today
- GX 411 – we intend to offer this on Monday. Let us know if you will stipulate to authenticity.
- GX 456 – we intend to offer this on Monday. Let us know if you will stipulate to authenticity.
- GX 495A & B – we intend to offer these on Monday (likely in redacted form), although think a stipulation that the defendant had bank accounts at HSBC from January 2010 through October 2013 might be simpler. Let us know how you prefer to proceed.
- GX 704 – this is the modified version of the travel chart. Please confirm whether you have any remaining concerns.
- GX 705A & B – these are summary charts reflecting the information in GX 2090A. Please confirm whether you have any objections.
- Updated GX 2304A – we enlarged some of the cells, as the formatting of the PDFd excel file was cutting off some of the data. The content is the same.
- 3504-10 – Peri 3500, which was provided in hard copy yesterday morning.
- 3505-06 – Blair 3500, which was provided in hard copy yesterday morning.
- 3513-02 – Paralegal 3500 for summary chart (you may already have this)
- 3513-03 – Paralegal 3500 for summary chart (you may already have this)

We are still working on one additional summary chart, which we expect to provide later today.

Stephanie Lake
Assistant United States Attorney
Southern District of New York
One Saint Andrew's Plaza

New York, NY 10007

Tel: (212) 637-1066